



FACT SHEET

Commerce Finds Dumping and Countervailable Subsidization of Imports of Large Diameter Welded Pipe from Canada, Greece, Korea, and Turkey

- On February 21, 2019, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) and countervailing duty (CVD) investigations of imports of large diameter welded pipe from Canada (AD only), Greece (AD only), Korea, and Turkey.
- The AD and CVD laws provide U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market-distorting effects caused by injurious dumping and subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of an AD investigation, dumping occurs when a foreign company sells a product in the United States at less than its fair value. For the purpose of a CVD investigation, a countervailable subsidy is financial assistance from foreign governments that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- In the Canada investigation, Commerce assigned a dumping rate of 12.32 percent for mandatory respondent Evraz Inc. NA. Commerce assigned a dumping rate of 12.32 percent to all other producers and exporters of large diameter welded pipe from Canada.
- In the Greece investigation, Commerce assigned a dumping rate of 9.96 percent for mandatory respondent Corinth Pipeworks Pipe Industry S.A. Commerce assigned a dumping rate of 9.96 percent to all other producers and exporters of large diameter welded pipe from Greece.
- In the Korea investigation, Commerce assigned a dumping rate of 14.97 percent for mandatory respondent Hyundai RB Co., Ltd.. Commerce assigned a dumping rate of 7.03 percent for mandatory respondent SeAH Steel Corporation. Commerce assigned a dumping rate of 20.39 percent for mandatory respondent Samkang M&T Co., Ltd., based on adverse facts available. Commerce assigned a dumping rate of 9.30 percent to all other producers and exporters of large diameter welded pipe from Korea.
- In the Turkey investigation, Commerce assigned a dumping rate of 4.55 percent for mandatory respondent Borusan Mannesmann Boru Sanayi ve Ticaret A.S. Commerce assigned a dumping rate of 5.05 percent for mandatory respondent HDM Celik Boru Sanayi ve Ticaret A.S. Commerce assigned a dumping rate of 4.68 percent to all other producers and exporters of large diameter welded pipe from Turkey.
- In the Korea investigation, Commerce has calculated a subsidy rate of 0.01 percent (*de minimis*) for mandatory respondent Husteel Co., Ltd., 0.44 percent (*de minimis*) for mandatory respondent Hyundai Steel Company and 27.42 percent for mandatory respondent SeAH Steel Corporation based on adverse facts available. Commerce calculated a rate of 9.29 percent for all other Korean producers and exporters.
- In the Turkey investigation, Commerce has calculated a subsidy rate of 3.72 percent for mandatory respondent HDM Celik Boru Sanayi ve Ticaret A.S. and 0.92 percent (*de minimis*) for mandatory

respondent Borusan Mannesmann Boru Sanayi ve Ticaret A.S. Commerce calculated a rate of 3.72 percent for all other Turkish producers and exporters.

- Upon publication of the final affirmative AD determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect AD cash deposits equal to the applicable final weighted-average dumping rates. Further, as a result of the affirmative final CVD determinations, if the U.S. International Trade Commission (ITC) makes affirmative injury determinations, Commerce will instruct CBP to resume collection of CVD cash deposits equal to the applicable above-*de minimis* subsidy rates.
- The petitioners are American Cast Iron Pipe Company (Birmingham, AL), Berg Steel Pipe Corp. (Panama City, FL), Berg Spiral Pipe Corp. (Mobile, AL), Dura-Bond Industries (Steelton, PA), Skyline Steel (Parsippany, NJ), and Stupp Corporation (Baton Rouge, LA).
- The merchandise covered by the **Canada, Greece, Korea, and Turkey** investigations is welded carbon and alloy steel pipe (including stainless steel pipe), more than 406.4 mm (16 inches) in nominal outside diameter (large diameter welded pipe), regardless of wall thickness, length, surface finish, grade, end finish, or stenciling. Large diameter welded pipe may be used to transport oil, gas, slurry, steam, or other fluids, liquids, or gases. It may also be used for structural purposes, including, but not limited to, piling. Specifically, not included is large diameter welded pipe produced only to specifications of the American Water Works Association (AWWA) for water and sewage pipe.

Large diameter welded pipe used to transport oil, gas, or natural gas liquids is normally produced to the American Petroleum Institute (API) specification 5L. Large diameter welded pipe may also be produced to American Society for Testing and Materials (ASTM) standards A500, A252, or A53, or other relevant domestic specifications, grades and/or standards. Large diameter welded pipe can be produced to comparable foreign specifications, grades and/or standards or to proprietary specifications, grades and/or standards, or can be non-graded material. All pipe meeting the physical description set forth above is covered by the scope of these investigations, whether or not produced according to a particular standard.

Subject merchandise also includes large diameter welded pipe that has been further processed in a third country, including but not limited to coating, painting, notching, beveling, cutting, punching, welding, or any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the in-scope large diameter welded pipe.

Excluded from the scope of the **Korea AD** and **Turkey AD** investigations are any products covered by the existing antidumping duty orders on welded line pipe from Korea and Turkey, respectively. *See* Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders, 80 FR 75056 (December 1, 2015). Also excluded from the scope of the **Korea AD** investigation are any products covered by the existing antidumping order on welded ASTM A-312 stainless steel pipe from Korea. *See* Welded ASTM A-312 Stainless Steel Pipe from South Korea: Antidumping Duty Order, 57 FR 62300 (December 30, 1992). Also excluded from the scope of the **Turkey CVD** investigation are any products covered by the existing countervailing duty order on welded line pipe from the Republic of Turkey. *See* Welded Line Pipe from the Republic of Turkey: Countervailing Duty Order, 80 FR 75054 (December 1, 2015).

The large diameter welded pipe that is subject to these investigations is currently classifiable in Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, 7305.19.5000, 7305.31.4000, 7305.31.6010, 7305.31.6090, 7305.39.1000 and 7305.39.5000. While the HTSUS

subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.

- In 2017, imports of large diameter welded pipe from Canada, Greece, Korea, and Turkey were valued at an estimated \$179.9 million, \$10.7 million, \$150.9 million, and \$57.3 million, respectively.
- The Final Decision Memoranda are on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to AD case numbers A-122-863 for Canada, A-484-803 for Greece, A-580-897 for Korea, and A-489-833 for Turkey and CVD case numbers C-580-898 for Korea and C-489-834 for Turkey.

NEXT STEPS

- The ITC is scheduled to make its final determinations on or about April 5, 2019.
- If the ITC makes affirmative final determinations that imports of large diameter welded pipe from Canada, Greece, Korea, and/or Turkey materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD and CVD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.

FINAL DUMPING RATES:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Canada	Evraz Inc. NA	12.32%
	All Others	12.32%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Greece	Corinth Pipeworks Pipe Industry S.A.	9.96%
	All Others	9.96%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES	CASH DEPOSIT
Korea	Hyundai RB Co., Ltd.	14.97%	12.86%
	SeAH Steel Corporation	7.03%	4.92%
	Samkang M&T Co., Ltd.	20.39%	18.28%
	All Others	9.30%	7.19%

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES	CASH DEPOSIT
Turkey	Borusan Mannesmann Boru Sanayi ve Ticaret A.S.	4.55%	4.55%
	HDM Celik Boru Sanayi ve Ticaret A.S.	5.05%	4.05%
	All Others	4.68%	3.68%

*Rates are adjusted for export subsidies.

FINAL SUBSIDY RATES

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATES
Korea	Husteel Co., Ltd.	0.01% (<i>de minimis</i>)
	Hyundai Steel Company	0.44% (<i>de minimis</i>)
	SeAH Steel Corporation	27.42%
	All Others	9.29%

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATE
Turkey	Borusan Mannesmann Boru Sanayi ve Ticaret A.S.	0.92% (<i>de minimis</i>)
	HDM Celik Boru Sanayi ve Ticaret A.S.	3.72%
	All Others	3.72%

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

EVENT	CVD	AD
Petitions Filed	January 17, 2018	January 17, 2018
DOC Initiation Date	February 9, 2018	February 9, 2018
ITC Preliminary Determinations	March 6, 2018	March 6, 2018
DOC Preliminary Determinations	June 29, 2018	August 27, 2018
DOC Final Determinations	February 19, 2019	February 19, 2019
ITC Final Determinations	April 5, 2019	April 5, 2019
Issuance of Orders*	April 12, 2019	April 12, 2019

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a)(1) of the Tariff Act of 1930, as amended (the Act). For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a) of the Act. These deadlines may be extended under certain circumstances.

*This will take place only in the event of affirmative final determinations from Commerce and the ITC.

IMPORT STATISTICS

CANADA	2015	2016	2017
Volume (metric tons)	306,779	61,385	158,039
Value (USD)	413,431,361	65,951,912	179,945,124
GREECE			
GREECE	2015	2016	2017
Volume (metric tons)	182,657	82,375	12,568
Value (USD)	197,195,473	69,974,420	10,708,760
KOREA			
KOREA	2015	2016	2017
Volume (metric tons)	227,916	174,452	184,866
Value (USD)	187,218,815	150,306,695	150,872,938
TURKEY			
TURKEY	2015	2016	2017
Volume (metric tons)	115,629	108,546	56,690
Value (USD)	136,213,672	116,081,404	57,274,624

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, 7305.19.5000, 7305.31.4000, 7305.31.6010, 7305.31.6090, 7305.39.1000, and 7305.39.5000.) Note: Currently there are AD and CVD orders on welded line pipe from Turkey and an AD order on welded line pipe from Korea. These three orders cover welded line pipe not more than 24 inches in nominal outside diameter. The above import statistics include HTSUS subheadings that may also be covered under the AD and CVD orders; therefore, the above import statistics for imports of large diameter welded pipe from Korea and Turkey may be overstated.